
By: **Delegates Bozman and Conway**
Introduced and read first time: February 2, 2004
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Worcester County - Liquor Dispensaries - Homeowners Associations**

3 FOR the purpose of authorizing liquor dispensaries in Worcester County to be
4 established and maintained by a homeowners association with a certain
5 minimum membership; requiring that a certain percentage of net profits from
6 the operation of dispensaries be paid to certain homeowners associations
7 according to a certain formula; and generally relating to liquor dispensaries in
8 Worcester County.

9 BY repealing and reenacting, with amendments,
10 Article 2B - Alcoholic Beverages
11 Section 15-203(f) and 15-207(h)
12 Annotated Code of Maryland
13 (2001 Replacement Volume and 2003 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article 2B - Alcoholic Beverages**

17 15-203.

18 (f) In Worcester County the county liquor dispensaries may be established
19 and maintained only at Pocomoke City, Snow Hill, Berlin and Ocean City, BY A
20 HOMEOWNERS ASSOCIATION WITH A MEMBERSHIP OF AT LEAST 10,000, and in any
21 rural areas that may be approved by the Liquor Control Board and the County
22 Commissioners of Worcester County.

23 15-207.

24 (h) (1) This subsection applies only in Worcester County.

25 (2) All net profits arising from the operation of these dispensaries are
26 first applied towards the payment of any and all sums advanced to or borrowed by the
27 Liquor Control Board. After these sums are paid, the Board is authorized to create
28 and maintain a reserve fund not to exceed \$400,000. The reserve fund is maintained

1 to provide adequate working capital and to meet any losses that may be sustained by
2 the Board in the operation of these dispensaries.

3 (3) Fifty percent of all net profits in excess of the reserve fund shall be
4 paid to the County Commissioners of Worcester County on or before June 1 each year.
5 The remaining 50 percent shall be paid on or before June 1 each year to the mayors
6 and city councils of Berlin, Ocean City, Pocomoke City, and Snow Hill, AND TO ALL
7 HOMEOWNERS ASSOCIATIONS THAT ESTABLISH AND MAINTAIN A LIQUOR
8 DISPENSARY, in proportion to the net profits on total sales of the dispensaries
9 situated in each of these municipalities AND HOMEOWNERS ASSOCIATIONS. For
10 purposes of calculating the municipalities' share and if the County Commissioners
11 consent to it for each municipality, a radius of 2 miles outside of the municipal
12 boundaries shall be considered as being within the corporate limits. In the rural areas
13 outside of the 2-mile radius of those municipalities, the net profits shall go to the
14 general funds of Worcester County.

15 (4) The amounts paid to the mayors and city councils of Berlin, Ocean
16 City, Pocomoke City, and Snow Hill shall be used for general municipal purposes.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
18 effect June 1, 2004.